

## **Vance Decl. Ex. 13 (Redacted)**

1  
2 UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

3 -----x  
SYRACUSE MOUNTAINS CORPORATION,

4  
5 Plaintiff,

6 - against -

Civil Action No.  
21-cv-2684-VEC

7  
8 PETROLEOS DE VENEZUELA S.A.,  
9 Defendant.

-----x

10  
11 Remote deposition  
12 January 25, 2022  
13 11:05 a.m.

14  
15  
16 VIDEO-RECORDED VIDEOCONFERENCE DEPOSITION of  
17  
18 BRENO CUNHA, before Michele Moskowitz, a  
19 shorthand reporter and Notary Public of the State  
of New York.

20  
21  
22  
23  
24  
25 REF: 5040514

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bank accounts and the notes that are at issue in this litigation.

MS. BRATIC: Thank you, Dan. Your objection is noted.

Q. Let me start over with my questions here.

Mr. Cunha, does Syracuse have multiple bank accounts?

A. No.

Q. Just one bank account; is that correct?

A. Yes, just one.

Q. And Syracuse owns a number of notes, correct?

A. The number -- only those are -- which are in the custody of the bank.

Q. All right. So all of Syracuse's notes are held in the one bank account, correct?

A. Yes.

Q. And besides those notes held in that bank account, Syracuse has no assets?

A. That's correct. No assets.

Q. Since filing this lawsuit, has Syracuse bought any new notes?

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A. No.

Q. Has Syracuse sold any notes since filing this lawsuit?

A. No. No.

Q. So no --

A. No financial activity at all.

MR. WEINER: Mr. Cunha, let me -- to make things easier for the reporter, let Ms. Bratic finish her question before you answer it, okay?

THE WITNESS: Okay. Sorry.

Q. All right. So Syracuse is essentially just a holding company; is that correct, Mr. Cunha?

A. Yes.

Q. Who provided the initial capital to establish Syracuse?

A. I'm sorry, I couldn't understand your question very well.

Q. When Syracuse was started -- let me maybe go back to the certificate of incorporation.

When Syracuse was founded, there was an initial capital that was provided; is that

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p.m. We're back on the record.

Q. All right. Mr. Cunha. I want to just follow up on one point about the ultimate beneficial owners before we move on. Your counsel has invoked that the ultimate beneficial owners have genuine security concerns with their identities being disclosed to PDVSA. Have you spoken to the beneficial owners about any security concerns?

A. I'm sorry, if I have spoken to the beneficial owners about my deposition today?

Q. Have you spoken to them about any security concerns they have with their identities being revealed to PDVSA?

A. No, not -- no. We have each -- no.

Q. Do [REDACTED] have any security concerns?

A. No.

Q. To the best of your knowledge, do the ultimate beneficial owners have any particular ties to Venezuela or PDVSA that should make them concerned for their security?

A. No.

Q. All right. I would like to talk then

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2 about Syracuse's acquisition of the notes. Who  
3 is the person who manages Syracuse's finances?

4 A. I am the -- Syracuse's manager. You  
5 mean if I manage Syracuse's account, bank  
6 account.

7 Q. And can you confirm that Syracuse  
8 holds beneficial interests in the five notes that  
9 were mentioned in Syracuse's Complaint?

10 A. If I confirm the beneficial owners  
11 are those who we have spoken about, yes.

12 Q. I'm talking now about the notes  
13 specifically.

14 A. Oh, the notes.

15 Q. There are five different notes  
16 mentioned. You're familiar with those notes,  
17 correct?

18 A. Yes. I know the notes.

19 Q. And you have personal knowledge of  
20 Syracuse's ownership of those notes?

21 A. Yes. I know because they are in  
22 Syracuse's custody. Custody at the bank.

23 Q. All right. Does Syracuse have copies  
24 of actual executed versions of any of those  
25 notes?

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notes or -- from shareholders directly to the bank is custody, in the bank custody, give us statement having the notes, but I don't go over the layers of the notes, no.

Q. Okay. Have you ever seen -- have you personally ever seen a document signed by PDVSA or its representative, for example, that looks like a note?

A. No. I -- in the past I just following them, having any issue, they -- new notes and I will read on the Internet but never go. Not personally double check the note itself or the regulations or the details. Just summarized by the bank.

Q. Okay. Does Syracuse -- now I'll pull that down. We're done with that exhibit.

Does Syracuse hold the notes directly as a note holder?

A. Yes. When they received the notes into bank custody, they start belonging to Syracuse. From November 2020.

Q. And you mentioned bank custody. What bank are you referring to?

A. I mean the Safra Bank received them

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into its custody and I guess people in charge of it double check, read. The proper department of the bank.

Q. So your -- is it your -- just to summarize it, do I understand correctly that you're saying Syracuse owns the notes directly and that those notes are held by Safra?

A. Yes. Received them in November 2020 and they are held by Safra.

Q. Are you familiar with entities called Euroclear or Clearstream or Depository Trust Corporation, DTC? Do any of those sound familiar?

A. Well, I'm familiar they're custodians, they are -- they deal with each organizations like Euroclear and CE. They have their -- but I'm not very familiarized with the actual workings itself, which one provides, but they deal with the custodians. Directly I never have any contact with them. Always through the bank, through letters through the bank.

Q. Okay. And do you know whether Syracuse's notes are held through Euroclear, Clearstream, DTC or some other companies?



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2 or building. I don't know.

3 Q. Do you know if Safra Bank has ever  
4 been investigated or sanctioned by a government  
5 authority?

6 A. No. I have no idea at all.

7 Q. All right. You stated earlier --  
8 just to change the subject, you stated earlier  
9 that Syracuse acquired the notes from its  
10 shareholders in November 2020; is that correct?

11 A. Yes. They were kind of -- yes.  
12 Making sure.

13 Q. Did Syracuse pay shareholders for the  
14 notes?

15 A. No. It was an exchange for capital  
16 participation. Syracuse didn't have any money to  
17 pay for any bonds or any notes.

18 Q. Are there any contracts that govern  
19 that agreement, the exchange of notes for capital  
20 participation?

21 A. As far as I know, no.

22 Q. Who negotiated that deal?

23 A. Well, I don't know. A group of  
24 investors decided to be together and who wants to  
25 participate and who doesn't want to participate

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market. It's the biggest one.

Q. Were all of the notes acquired before 2017 by the shareholders?

A. Oh, yes. They are defaulted notes. When people or shareholder transfer those notes, there's no market for the notes. Nobody going to buy them or able to buy them or pay for them because I guess it was even forbidden to be -- to be -- to be -- to try to sell them on the market. No. That's not possible.

Q. Okay. So the shareholders owned these notes before 2017?

A. Yes. Yes. But originally I don't know first owner. I'm not able to say. Because sometimes people buy and sell, buy again.

Q. All right. I understand. That's helpful.

Has Syracuse or have its shareholders ever tried to sell the notes?

A. No. Even -- I'm sorry to say something here. It won't be possible because they're defaulted notes. There's no market here. I believe. I'm not able to sell because it doesn't belong to Syracuse directly. I have to

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respect the shareholders' participation.

Q. Have the notes ever been surrendered or redeemed?

A. No.

Q. Has Syracuse ever tried to surrender them or redeem them?

A. No. Syracuse has no interest in making one cent for anyone from the notes. Syracuse is just holding the notes in custody of the bank.

Q. Has anyone ever told Syracuse that the -- that its acquisition of the notes was not valid?

A. No. No. And I don't think it would be possible because they're always acquired through market, regular market. I don't know someone would acquire through the market. Because the bank -- Safra Bank or the bank Chase Bank and Citibank, they don't accept it ever. They don't care much with a bank with a note in your hand. It doesn't exist.

Q. Has anyone ever told Syracuse that the notes themselves are not valid?

A. No. Never even was mentioned. I --

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no. Not to me.

Q. Well, to anyone else at Syracuse either?

A. No. No. I could say I read it in a different lawsuit that PDVSA tried to say the notes were not valid, but the judge ruled against it. That's what I know. But not these notes. Another notes.

Q. Is there any dispute between Syracuse and anyone else regarding Syracuse's ownership of the notes?

A. No. Syracuse is not in dispute at all with any -- any entity or any person.

Q. Is there anyone else who might claim an ownership interest in these same notes?

A. As far as I know, no.

Q. Has Syracuse ever received any payments under the notes?

A. No. It's impossible.

Q. Has Syracuse received any offers of partial payment under the notes?

A. No. Again, it's impossible if the paying agency informs something to the market because Syracuse is just one -- one little tiny

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2 portion of the market. It has to be from all the  
3 participants. If any offer one day, I don't  
4 know. May be received. But paying agent must to  
5 be involved, I believe.

6 MR. WEINER: Catherine, I hate to  
7 interrupt. I'm going to ask the court  
8 reporter to read back the last answer and  
9 the answer before that.

10 (The record is read back by the  
11 reporter.)

12 Q. Mr. Cunha, why do you say it's  
13 impossible for Syracuse to receive payments?

14 A. Because it's -- I -- perhaps it's too  
15 strong. I would say no. But I don't believe it  
16 would be possible because in my mind how could  
17 one make enough without knowing. Because the  
18 market know -- the whole world knows about the  
19 notes. Bloomberg, Reuters. How could you send  
20 or receive a proposal from PDVSA for -- it's  
21 impossible. There are trustees, paying agent.  
22 No. I don't think it would be possible, but I  
23 haven't received any at all.

24 Q. When Syracuse acquired these notes in  
25 November 2020, did it expect it would ever be